long run inequality

History and Inequality

University of Oslo
Sources: Aggregate GDP per person data are taken from the Bureau of Economic Analysis (since 1929) and Angus Maddison (pre-1929). The top income share used to divide the GDP is from the October 2013 version of the World Top Incomes Database (Alvaredo, Atkinson, Piketty, and Saez n.d.).

Notes: This figure displays an estimate of average GDP per person for the top 0.1 percent and the bottom 99.9 percent. Average annual growth rates for the periods 1950–1980 and 1980–2007 are also reported.
Figure 2
The Top 0.1 Percent Income Share and Its Composition, 1916–2011

Source: These data are taken from the “data-Fig4B” tab of the September 2013 update of the spreadsheet appendix to Piketty and Saez (2003).
Inequality of total income (labor and capital) has dropped in France during the 20th century, while wage inequality has remained the same. Sources and series: see piketty.pse.ens.fr/capital21c.
Figure 8.2. The fall of rentiers in France, 1910-2010

The fall in the top percentile share (the top 1% highest incomes) in France between 1914 and 1945 is due to the fall of top capital incomes. Sources and series: see piketty.pse.ens.fr/capital21c.
Figure 8.3. The composition of top incomes in France in 1932

Labor income becomes less and less important as one goes up within the top decile of total income. Notes: (i) "P90-95" includes individuals between percentiles 90 to 95, "P95-99" includes the next 4%, "P99-99.5" the next 0.5%, etc. (ii) Labor income: wages, bonuses, pensions. Capital income: dividends, interest, rent. Mixed income: self-employment income. Sources and series: see piketty.pse.ens.fr/capital21c.
Capital income becomes dominant at the level of the top 0.1% in France in 2005, as opposed to the top 0.5% in 1932. Sources and series: see piketty.pse.ens.fr/capital21c.
The top decile income share rose from less than 35% of total income in the 1970s to almost 50% in the 2000s-2010s. Sources and series: see piketty.pse.ens.fr/capital21c.
The rise of income inequality since the 1970s is largely due to the rise of wage inequality.

Sources and series: see piketty.pse.ens.fr/capital21c.
The rise in the top 1% highest incomes since the 1970s is largely due to the rise in the top 1% highest wages. Sources and series: see piketty.pse.ens.fr/capital21c.
Labor income becomes less and less important as one moves up within the top income decile.

Sources and series: see piketty.pse.ens.fr/capital21c
Capital income becomes dominant at the level of top 0.1% in 2007, as opposed to the top 1% in 1929. Sources and series: see piketty.pse.ens.fr/capital21c.
Figure 9.2. Income inequality in Anglo-saxon countries, 1910-2010

The share of top percentile in total income rose since the 1970s in all Anglo-saxon countries, but with different magnitudes. Sources and series: see piketty.pse.ens.fr/capital21c.
As compared to Anglo-saxon countries, the share of top percentile barely increased since the 1970s in Continental Europe and Japan. Sources and series: see piketty.pse.ens.fr/capital21c.
As compared to Anglo-saxon countries, the top percentile income share barely increased in Northern and Southern Europe since the 1970s. Sources and series: see piketty.pse.ens.fr/capital21c
The share of the top 0.1% highest incomes in total income rose sharply since the 1970s in all Anglo-saxon countries, but with varying magnitudes. Sources and series: see piketty.pse.ens.fr/capital21c.
Figure 9.6. The top 0.1% income share: Continental Europe and Japan, 1910-2010

As compared to Anglo-saxon countries, the top 0.1% income share barely increased in Continental Europe and Japan. Sources and series: see piketty.pse.ens.fr/capital21c.
In the 1950s-1970s, the top decile income share was about 30-35% of total income in Europe as in the U.S.
Measured by the top percentile income share, income inequality rose in emerging countries since the 1980s, but ranks below U.S. level in 2000-2010. Sources and series: see piketty.pse.ens.fr/capital21c.
Measured by the top percentile income share, income inequality rose in emerging countries since the 1980s, but ranks below U.S. level in 2000-2010. Sources and series: see piketty.pse.ens.fr/capital21c.
Until the mid 20th century, wealth inequality was higher in Europe than in the United States.

Sources and series: see piketty.pse.ens.fr/capital21c.
The rate of return to capital (after tax and capital losses) fell below the growth rate during the 20th century, and may again surpass it in the 21st century. Sources and series: see piketty.pse.ens.fr/capital21c
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Figure 3
Wealth Shares of the Top 1% in Three Countries, 1800 to 2010

Note: The figure shows the share of aggregate wealth held by the richest 1 percent of the population.